Saint Paul Planning Commission City Hall Conference Center 15 Kellogg Boulevard West

Minutes December 20, 2013

A meeting of the Planning Commission of the City of Saint Paul was held Friday, December 20, 2013, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners

Present:

Mmes. Merrigan, Noecker, Perrus, Porter Reveal, Shively, Thao, Wang, Wencl;

and Messrs. Edgerton, Gelgelu, Lindeke, Makarios, Nelson, Ochs, Oliver,

Schertler, Spaulding, Ward, and Wickiser.

Commissioners

Absent:

Mr. *Connolly.

*Excused

Also Present:

Donna Drummond, Planning Director; Tom Beach, Department of Safety and Inspections; Merritt Clapp-Smith, Josh Williams, Bill Dermody, and Sonja

Butler, Department of Planning and Economic Development staff.

I. Approval of minutes December 6, 2013.

MOTION: Commissioner Reveal moved approval of the minutes of December 6, 2013. Commissioner Ward seconded the motion. The motion carried unanimously on a voice vote.

II. Chair's Announcements

Chair Wencl wished everyone a happy holiday and she is very pleased with the way things have picked up with the commission and she said that it has been a good year.

III. Planning Director's Announcements

Donna Drummond announced that right after the meeting a group photo will be taken to send to the American Planning Association for publication in a future issue of APA's Planning Board Briefs. She also noted there will be a commission retreat on January 10, 2014 immediately following the regular meeting. More information will be sent out when it is available.

IV. Zoning Committee

SITE PLAN REVIEW - List of current applications. (Tom Beach, 651/266-9086)

One item came before the Site Plan Review Committee on Tuesday, December 17, 2013:

■ New 2,800 square foot commercial building at the corner of Ford and Finn, a site that is one of the outlots from the Walgreens development at 2111 Ford Parkway.

One item to come before the Site Plan Review Committee on Monday, December 30, 2013:

■ 180 Degrees, new building and parking lot at 1291 East 7th Street.

NEW BUSINESS

#13-247-474 BLD Property Management – Establishment of legal nonconforming use status as an administrative office. 260 Aurora Avenue between Galtier and Marion. (Hilary Holmes, 651/266-6612)

Commissioner Nelson reported that the Zoning Committee laid this case over to the January 2, 2014 meeting.

#13-253-015 The Waters Senior Living — Rezone from B3 general business to T3 traditional neighborhood. 678 Snelling Avenue South between Scheffer and Eleanor. (Merritt Clapp-Smith, 651/266-6547)

<u>MOTION</u>: Commissioner Nelson moved the Zoning Committee's recommendation to approve the rezoning. The motion carried unanimously on a voice vote.

#13-253-080 The Waters Senior Living — Variance for driveway setback. 678 Snelling Avenue South between Scheffer and Eleanor.

Commissioner Nelson reported that the Zoning Committee laid this case over to the January 2, 2014 meeting.

#13-214-588 Vintage mixed use development (with Associated Bank building) – Site plan review for the Vintage mixed-use development. 1573 Selby Avenue. (Tom Beach, 651/266-9086)

<u>MOTION</u>: Commissioner Nelson moved the Zoning Committee's recommendation to approve the site plan review subject to additional conditions.

Commissioner Spaulding is concerned that the right hand turn lane would not address traffic challenges at the intersection and would take right-of-way (ROW) away from an existing pedestrian bump out at the corner, noting that incorrect information regarding ROW width was supplied at the site plan hearing. Additionally that bump out at the Snelling and Selby intersection was recommended to be improved upon in the Minnesota Department of Transportation's Snelling Avenue Multi-Modal Study. The developer originally said the sidewalk between the eating area and the curb on the Selby Avenue side would be 12 feet, but later both the developer and Public Works indicated that it would be 10.9 feet. Public Works has indicated about 14 feet is a good general sidewalk width but because there is no parking buffer and this is a very busy intersection, Commissioner Spaulding would argue either 15 or 16 feet to be more appropriate at this intersection.

The Zoning Committee did not recommend the turn lane as part of site plan review approval, but the turn lane could go in as a result of a community process between City staff and the neighborhood over the next few months. Between the public hearing and the Planning Commission meeting, Commissioner Spaulding spoke with staff regarding his concern that even if the Zoning Committee didn't think that it was appropriate, the turn lane might go in anyway,

and the building would end up too close to the turn lane. A few days ago Commissioner Spaulding asked Josh Williams if it would be acceptable to the developer to set the building back further from the property line in the event the decision is made in the coming months that the turn lane should be put in.

Josh Williams said that he had spoken with the applicant, and referenced diagrams provided to the Planning Commission. The developer did indicate that, if requested by the Planning Commission, they could probably set back by several additional feet the portion of the building between the entrance on Selby Avenue and the corner at Selby and Snelling, but that it would not be possible to set the rest of the building face along Selby Avenue back from the property line.

Commissioner Merrigan said in terms of the overall discussion about what is going to happen with the site plan and the traffic recommendations; it's very hard for the development team to know how to respond if there isn't any direction from Public Works, and wondered if there is a timeline on which this issue is going to be resolved? If we are asking for a 2 foot take away and we don't even know if we need that and we don't have any particular City requirements except to put a condition on that says we have to have the sidewalk be a certain way, we are putting ourselves in a difficult position. We need to be careful not to burden the developer with the take away of the couple of feet of commercial use if we don't really need that. So a deadline for when they're going to have that information to make that decision is important.

Mr. Williams said that the applicant would probably agree with what Commissioner Merrigan said. It's an unusual situation, and while the developer is willing to try to accommodate a request to set the building back further, they do not want to do so unless absolutely necessary, and would need to know whether or not it would be necessary within 60-90 days.

Commissioner Lindeke was curious about the community process, which Mr. Williams had implied he knew something about, and asked Mr. Williams to elaborate about what that community process might look like.

Mr. Williams said that this community process was at the request of Union Park District Council. They imagined in the realm of three meetings, with the first being held as soon as reasonably possible, and that the community did not want the process to take longer than six months. Mr. Williams added that it was understood that any resulting recommendations for the intersection would be advisory, with the City reserving final authority.

Commissioner Perrus shared that from a legal perspective, this is a site plan review of a conforming project, and the Planning Commission is very limited on what it can and can't require. The suggestion of adding a right turn lane from Public Works reflected some sort of nexus with what was being discussed as a traffic issue caused by this project, but even that was tangential. Commissioner Perrus stated that she feels that they are stuck talking about an issue that is not related to this project but related to the overall traffic issues at Snelling and Selby, and the Planning Commission cannot ask the developer to take on a solution to that overall problem or exact some kind of financial or development toll based on the City's failure to deal with that traffic problem for years in some kind of timely fashion. When the Zoning Committee discussed removing condition 3, her expectation was that they weren't going to come to the Planning Commission and decide what else to tack on for the developer to deal with. There has to be a connection with what is being asked and what they are demanding. Commissioner Spaulding moved to remove this condition because it wasn't a holistic approach to that intersection, but they

cannot ask the developer to pay for a different holistic approach to that intersection which may or may not include something with Ayd Mill Road, which is not related to this project; there is a need to separate the two issues. She stated that she is challenged with how they are discussing a conforming site plan review and adding in all these other elements that they think they can discuss. That's one of the reasons these things get worked out by staff and not by a Planning Commission because they can sit there with a developer and negotiate what happens. It becomes problematic when the Planning Commission starts to think overall about what's happening around an area of a project and to consider whether they can impose additional requirements on a project; there is a legal boundary there that they cannot cross.

Commissioner Spaulding stated that he completely agrees with Commissioner Perrus. He further stated that to be clear, everything discussed with Mr. Williams and other staff since the hearing assumed that the turn lane may happen and it would create a problem, and he wanted to develop that issue a little further and make sure that the Planning Commission understood the issue. He noted that what had been discussed would be a voluntary set back, and that the Planning Commission does not have the authority to require that additional set back. The developer can choose to set it back or not, and that hopefully the discussion between Public Works and the neighborhood would occur quickly because it would become a burden on the developer the longer it went on. Commissioner Spaulding repeated that any setback would be entirely voluntary and that he does not want to require anything more.

Chair Wencl stated that the motion is to approve the site plan which does not have any information about a right turn lane in it. If someone wants to make a motion in that regard, otherwise they will discuss the rest of the plan that is in front of them.

Commissioner Ochs stated that he prefers that the right turn lane not be added as he does not think that will solve the traffic problems. He noted that the turning radius from west bound Selby to north bound Snelling is going to decrease by adding the turning lane and further decrease the public realm sidewalk. He wants the sidewalk to stay nice and wide for pedestrians. Regarding the movable planters on Dayton and the practicality of this as a recommendation, he stated that he can't see using moving planters in winter conditions, and that the developer should have an acceptable loading dock plan in place rather than the Planning Commission needing to add a condition for approval of the plan.

Mr. Williams noted that the planters were added at the request of staff, but that staff also recognized that the planters were not an ideal solution and shared some of the concerns Commissioner Ochs expressed about the workability of the solution, and thus recommended a conditional approval. Mr. Williams also stated that he feels that it is always a challenge to accommodate loading docks, trash, and other service functions when designing a building to fit in well in a neighborhood, be pedestrian friendly, and still be a suitable location for a large commercial use such as a grocery store. In consideration of these challenges, Mr. Williams feels the design team made a good-faith effort and came up with a reasonable design that met the intent of the zoning code.

Tom Beach, DSI staff, added that the loading dock will have a roof over it about 20 feet up in the air which will help on mornings when there is snow. He agreed that it's obviously not an optimal solution, but it was the best way to accommodate a 67-foot semi-trailer truck. The challenges would be snow and ice in the winter and just a general pain to move them the rest of the year. If the tenant decides to just push them out of the way, there is a backup which in the recommended

conditions for approval that if they can't abide by the plan, they would need to come up with a better solution or cease using the parking spaces.

Commissioner Schertler stated that fundamentally this satisfies every vision that they have ever had for this area. And it's time to delegate these details back to staff and let them use their professional judgment.

Chair Wencl said that basically they are designing all of this based upon a 67 foot truck and are they okay with doing this or in the future maybe the truck size will change and we're stuck with a building and a plan that will be that way forever in the future.

Mr. Beach said that the 67-foot truck is a requirement of Whole Foods, and that the truck comes from a warehouse in Indiana. If in the future Whole Foods opens up a warehouse in Blaine or someplace else nearby, a 50 foot truck would still require some kind of maneuvering similar to what's required now. If they were able to accommodate it all within their building without cutting across the sidewalk, they could change the site plan at that time. The reason for the movable planters is to allow trucks to drive across the sidewalk when making deliveries but to keep cars from going across the sidewalk when using the parking spaces the rest of time.

Commissioner Perrus said that these are business decisions that they are dealing with, and that the conversation with Ms. Clapp-Smith about what constituted mixed use development was similar in that the Planning Commission is going to face some of these same types of issues with the amount of density that is being asked for in the code. She stated the Planning Commission is stuck a little with these questions and as a group they are going to have to be a little creative. She stated that she does not want to go down the road of thinking about whether they may or may not be able to ask Whole Foods to bring in a small truck. That's Whole Foods' business plan and that's how they operate. That is not the Planning Commission's role, and it is the staff's role to help the Commission figure out how to resolve these issues.

Commissioner Noecker questioned what exactly is their role as a Planning Commission? What are they supposed to be looking at here and voting on?

Commissioner Nelson said that each one of them brings their own experiences and expertise to the table in order to take a look at a site plan in this case and look at the findings that need to be met and determine whether the site plan reasonably meets the findings based upon each member's own experience. They are legal findings that are somewhat subjective, and commissioners need to bring their own experience to those items and make their own judgment call. Their role is to make a quasi-judicial judgment, in this case in regard to a site plan.

Commissioner Reveal moved to call the question. There being no objection, the Commission proceeded to the vote on the main motion.

The main motion carried 17-1 (Ochs) on a voice vote.

Commissioner Nelson announced that the next Zoning Committee meeting on Thursday, January 2, 2014 has been cancelled.

V. Neighborhood Planning Committee

<u>Hamline Midway Community Plan (District 11)</u> – Approve resolution initiating zoning study, release draft for public review and set a public hearing on February 7, 2014. (*Josh Williams*, 651/266-6659)

MOTION: Commissioner Shively moved on behalf of the Neighborhood Planning Committee to release the draft for public review and set a public hearing on February 7, 2014. The motion carried unanimously on a voice vote.

<u>Source-Separated Organics Zoning Study</u> – Approve resolution recommending zoning code amendments to the Mayor and City Council. (Bill Dermody, 651/266-6617)

Bill Dermody stated that this is allowing source separated-organics that are residentially generated only, not from commercial or institutional sources to be collected at the four Ramsey County yard waste sites.

Commissioner Ward asked about what types of provisions are in place to prevent pests from coming to feast at these yard waste sites.

Mr. Dermody stated that some of the measures to prevent that situation as well as odor are that the organics are going to be in compostable bags that Ramsey County will be distributing free to residents throughout Saint Paul. Then those bags will be placed into a roll-out dumpster which will be leak proof with lids to keep rodents and other pests out. Also the dumpsters will be taken regularly, most likely once a week, to a facility outside of Saint Paul. Those measures as well as the fact that this is being limited to residential users will help keep a cap on the amount and should minimize those concerns.

Commissioner Ward said that the dumpsters behind restaurants are pretty well managed as to what happens there but there are those who like to dumpster dive through trash and now we're talking about 15,000 maybe 20,000 residents in an area because there are only four of those sites. And there's about 285,000 residents in the City of Saint Paul and we're talking about dividing them up into four different locations that has no comparison to what a restaurant produces in a week. Restaurants have large volumes of things that smell good to someone that is hungry and has not eaten in several weeks.

Mr. Dermody replied that the frequency of how often they can take it off site could be upped if necessary, it still will be full of food but if they need to come more often they will.

Commissioner Nelson said that his family was part of the pilot project with regard to this program in the MacGroveland area a couple of years back. It was an initial 6 months starting program but it was extended beyond that. It was a great program, they received bio-degradable bags, which are actually tough, they had a kitchen counter top place to put all of their waste in and the things that they would have normally thrown into a garbage can, and all of the food waste was going into a small compostable container brought out to the curb weekly and picked up by a bicycle. It was a great program they never had any issue with any kind of animals. And what you might think is smelly really doesn't occur that often because there is not time to rot or decompose. He was really disappointed when this program was not funded and taken out of the City's budget. So he looks forward to having this kind of program in place again.

Chair Wencl asked Mr. Dermody to address that this is a temporary resolution to the ongoing program.

Mr. Dermody said that this program and the reason for the zoning code amendment is to increase the recovery of organics in Saint Paul over the next few years. It is seen by staff as an interim solution and will eventually move towards curbside pickup and alley pickup in the future with details to be worked out. This is a permanent code amendment, but the program plan is for it to be in place for two or three years and the emphasis will shift to the curbside type of operation.

<u>MOTION</u>: Commissioner Shively moved to approve the resolution recommending that the zoning code amendments be adopted by the Mayor and City Council. The motion carried unanimously on a voice vote.

VI. <u>Midway East Commercial Market Analysis</u> – Informational presentation by Gretchen Nicholls, Local Initiatives Support Corp. and Mary Bujold, Maxfield Research.

Gretchen Nicholls with the Twin Cities Local Initiatives Support Corporation (LISC) talked about the effort in 2011 called the Big Picture Project, which was a collaboration between the cities of Saint Paul and Minneapolis and LISC to create a coordinated plan for affordable housing that addressed the entire length of the Central Corridor. The goal was to develop strategies for affordable housing all along the corridor for all incomes, to take advantage of the new transit opportunities that are emerging. This set the stage for LISC's Accelerator project. The City of Saint Paul, Central Corridor Funders Collaborative, St. Paul Foundation and the Bigelow Foundation contributed to create a \$13 million pool of resources to accelerate mixed-income, equitable, transit-oriented development along the eastern end of the corridor. This corridor was of interest because it's a weaker market and private investment would likely proceed at a slower pace than other areas in the corridor. A one-page sheet showing some of their project investments was distributed. A key question that emerged through this work is, what is the commercial market for this area, and what can we anticipate or expect to attract in terms of commercial business services. Where are the gaps, and how can we better understand the commercial markets so that these projects, which are all mixed-use incorporating housing and commercial spaces, fully benefit from these opportunities and create strong economic development opportunities for the community. That was the premise for the commercial market analysis.

Mary Bujold, Maxfield Research, Inc. was recruited to help with the analysis. Ms. Bujold stated that the full document is very large and has a lot of information in it so she will give a high level overview and there is a lot more detail in the larger document. She talked about the demographics and economics of the station areas and sites. The retail market in the Twin Cities was the strongest in 2012 for retail activity. So the retail market is starting to see some recovery from the recession. The Twin Cities office market posted positive absorption during 2013, with most submarkets recording positive absorption. Retail expenditure growth in the corridor household base along with inflation will generate an increase in retail expenditures over the next several years. However, average annual household expenditures in the corridor are low, restraining growth in retail demand. Additional retail demand may be generated from transit ridership and daytime population.

Retailers that are actively seeking space in the market are generally small independent businesses (hair salons, financial services firms) and many are new to the area. National franchises remain somewhat skeptical about the benefits of locating along a light rail transit line. A higher level of growth is expected over the next five years, but significant redevelopment with higher density housing will be needed to make commercial/ retail demand grow. There are approximately 35,631 jobs in the Corridor, 45.6% of which are in typical office-using industries. We project that by 2020 approximately 2,950 office-occupying jobs will be added in the Corridor. Industry sectors that use office space and experiencing growth in the Corridor include: Health Care and Social Assistance; Professional, Scientific, and Technical Services; and Real Estate. Based on the size of the business establishments in the area, it appears that a high proportion of office users in the area are likely to require smaller spaces. From 2000 to 2011, significant growth occurred in the number of businesses with between 10 and 20 employees, a trend that suggests a growing need for office spaces in the 2,000 to 4,000 square foot range.

Ms. Bujold showed a matrix by each individual station area in terms of the project size for those where there are existing projects that are currently going on. A demand summary looking at retail and office space and the amount that can be supported for each of the station areas was presented. She also talked about the strengths and weaknesses for each of the station areas. In summary, it is important to note that all of these station areas have their own unique characteristics, so one size does not fit all. The nodes closest to Snelling Avenue are more likely to experience synergy from the core activity that exists there. Major intersections are more likely to appeal to retailers that can capture customers from all modes of transportation (car, transit, pedestrian). Customer and employee parking will continue as a challenge until and unless the LRT captures a much larger share of transportation usage. Redevelopment timeframes and investment should take advantage of marketplace interest and demand to achieve greater resource yields.

Commissioner Ward said Maxfield Research has been doing this for a long time and a lot of these metrics and the data that we're seeing now are helpful to local, regional and national developers. It's important to look at local trends rather than national trends as every area and every project has its own tempo, its own life. In the Twin Cities if we compare our level of expertise, work ethic, education, and involvement we are total aberration from what's happening nationally, we're off the charts on all of those things. He also noted that nationwide the suburbs are contracting and the inner-city is growing.

Commissioner Ward also thinks the Twin Cities typically out performs any of the projections. We will be pleasantly surprised to see all of the housing that will be developed with those four projects, but they are all being developed by nonprofit entities rather than private developers. He would prefer to see more private investment because the private dollars send a message to the national chains that investment is happening and this will encourage more investment. He generally thinks the projections related to development along the corridor will be blown out of the water.

Commissioner Ward asked for more detail on the types of jobs Ms. Bujold said have been created.

Ms. Bujold stated that a lot of those jobs were increases in the retail sector and the healthcare sector, which are high paying jobs.

Commissioner Porter asked if there were other factors cited by the national retailers other than economics that were a deterrent to coming into the market.

Ms. Bujold said it is really that a lot of them are coming out of the recession. They pulled back in terms of new store expansions. They're now evaluating where their next investments are going to be from a national expansion store perspective. They are not bypassing this area, what they are trying to do is prioritize. They seem to be saying we're a little cautious here so we're not going to jump in here next year but we're going to continue to look at this area and potentially going to consider this area in 2014 or 2015. They are expanding in other locations currently but will keep an eye on this area for the future.

Commissioner Thao asked if the market analysis captured what current businesses are there and their plans for expansion? She is the chair of an organization that works with a lot of the Asian businesses in the area. They are concerned about national retailers coming in and how this might impact the market.

Ms. Bujold said that they determined that there are a lot of independent businesses in the area interested in expanding. These businesses understand their own niches, they have a better handle on their current customer base and know how they can support additional expansion in those areas.

VII. Comprehensive Planning Committee

Commissioner Merrigan announced that she will be unable to attend the next few Comprehensive Planning Committee meetings and in her absence Commissioner Reveal will chair the meetings.

VIII. Transportation Committee

Commissioner Spaulding announced that their next meeting on December 23, 2013 is cancelled. The next scheduled meeting is January 13, 2014.

IX. Communications Committee

Commissioner Thao had no report.

X. Task Force/Liaison Reports

None.

XI. Old Business

None.

XII. New Business

None.

XIII. Adjournment

Meeting adjourned at 10:18 a.m.

Recorded and prepared by Sonja Butler, Planning Commission Secretary Planning and Economic Development Department, City of Saint Paul

Respectfully submitted,

Donna Drummond
Planning Director

Approved January 10, 2014

(Date)

Daniel Ward

Secretary of the Planning Commission

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